

A designation of beneficiary is the formal process of naming the person(s), trust, or organization you want to receive the proceeds from a benefit - such as Life Insurance - when you pass away. (See *"What is a Beneficiary"*)

### Why is it important to designate a beneficiary

- \* Benefits are paid directly to your chosen beneficiary, without delays
- \* Your loved ones get access to the funds when they need them most
- \* Your wishes are clear, which prevent family disagreements or legal issues

If you don't name a beneficiary, the money is usually paid to your estate - this can cause probate delays, extra legal fees and taxes and less money left over for your family

### How does it work?

- \* You decide - you can name a spouse, child, family member, friend, charity, or trust
- \* Legally Binding - the insurance company must follow your written designation on file
- \* It overrides your will - if there is a conflict, the beneficiary designation takes priority
- \* You can change it at any time - unless you've chosen an "irrevocable" beneficiary, you can make changes whenever you need to

### Keep your beneficiary up-to-date

- \* It is important to review your beneficiary designation regularly to ensure it reflects your current wishes
- \* Life changes - such as marriage, divorce, the birth of a child or other significant family events - may mean your beneficiary choice needs to be updated

### How do I update my beneficiary?

Depending on your insurance carrier, you may be able to review and update your beneficiary information directly through the plan member website. If this option is not available, please contact your plan administrator or HR department to make the necessary changes

Keeping your beneficiary information accurate and up-to-date is a simple but important step in protecting your loved ones' financial security.

*\* This is not a legal document, and is intended solely for informational purposes.*